

Fresno Unified School District  
Board Agenda Item

Board Meeting Date: January 29, 2020

**AGENDA ITEM A-19**

**AGENDA SECTION: A**

(A – Consent, B – Discussion, C – Receive, Recognize/Present)

**ACTION REQUESTED: Approve**

(Adopt, Approve, Discuss, Receive, etc.)

**TITLE AND SUBJECT: Approve Budget Revision No. 3 for Fiscal Year 2019/20**

**ITEM DESCRIPTION:** Included in the Board binders is Budget Revision No. 3 for fiscal year 2019/20. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 3 includes adjustments for updated information and necessary adjustments to support the acceptance of various grant awards.

The following items are included in Budget Revision No. 3 for fiscal year 2019/20:

- Expense changes to reflect items reported in the First Interim Financial Report approved by the Board on December 11, 2019
- Program adjustments
- Grant Revisions
- Other Funds

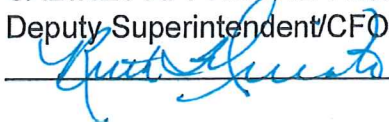
**FINANCIAL SUMMARY:** As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately \$96.0 million at June 30, 2020.

PREPARED BY: Kim Kelstrom, Executive Officer



DIVISION: Administrative Services  
PHONE NUMBER: (559) 457-6226

CABINET APPROVAL: Ruth F. Quinto  
Deputy Superintendent/CFO

  
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SUPERINTENDENT APPROVAL:

  
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### **Unrestricted General Fund Adjustments and Revisions**

As presented in the 2019/20 First Interim Financial Report approved by the Board on December 11, 2019, the following adjustments are being made:

- Increase of \$2.3 million for Medi-Cal Administrative Activity (MAA) reimbursement for 2016/17 and 2017/18 recognized as one-time revenue
- Increase of \$1.1 million in local income resulting from increased refunded CalSTRS of \$800,000, dual enrollment revenue for high school students enrolled in community college of \$100,000 and refunds of \$200,000
- Decrease of \$400,000 to capture utility savings
- Decrease of \$1.0 million in supplies due to projected school site and department supplies savings
- Decrease of \$600,000 in salaries and benefits based on current vacancies
- Assigned \$5.5 million in one-time expenses anticipated to be expensed in 2020/21 which include: Design Science Facility \$2.5 million; portable classrooms \$1.4 million; Fresno High CTE Facility \$1.0 million; and \$600,000 for Extended Day carryover

### **Revisions to the 2019/20 Budget Recommended for Approval**

The following items are included for the Board's consideration and approval:

- Increase \$460,000 for Special Education Early Intervention Preschool Grant recognized as one-time revenue
- Increase \$444,000 for 2018/19 final lottery recognized as one-time funding
- Increase \$36,000 for Superintendent, Deputy Superintendent and Chief Human Resources/Labor Relations Officer employee agreements approved by the Board on November 6, 2019
- Increase \$20,000 for expansion of Fresno EOC, Street Saints agreement to Tehipite Middle School and Addams Elementary school as approved by the Board on November 20, 2019

**Grant Revisions**

The chart below shows new grants, revisions to existing grants, and entitlements as follows:

<b>Name</b>	<b>2019/20 Current Budget Allocation</b>	<b>2019/20 Adjusted Award Amount</b>	<b>Revised Budget Allocation</b>
Child Nutrition: Fresh Fruit & Vegetables	\$1,982,550	\$2,173,014	\$190,464
Duncan Clean Fuels Transportation Pilot	33,496	88,496	55,000
ESSA: Comprehensive Support & Improvement (CSI)	1,541,818	1,570,901	29,083
Kaiser Grant - Mobile Medical	-	150,000	150,000
Lottery: Instructional Materials	3,745,062	4,052,893	307,831
Packard Hewlett – Foundation Grant	-	37,500	37,500
Partnership Academies Program	474,412	472,752	(1,660)
Special Education - IDEA Mental Health	786,134	790,895	4,761
Special Education - Mental Health Services	4,216,227	4,421,686	205,459
Strong Workforce Program	1,850,484	1,850,584	100
Teacher Quality Partnership Program (TQPP)	-	727,285	727,285
Transition to Teaching	-	798,784	798,784
<b>Total</b>	<b>\$14,630,183</b>	<b>\$17,134,790</b>	<b>\$2,504,607</b>

**Other Funds**

**Adult Education Fund** – Budget Revision No. 3 reflects an increase in expenses of \$265,994 for adjustments in various grant awards as follows:

<b>Name</b>	<b>2019/20 Current Budget Allocation</b>	<b>2019/20 Adjusted Award Amount</b>	<b>Revised Budget Allocation</b>
Citizenship & Integration Direct Services Grant	\$11,957	\$261,957	\$250,000
Adult Education Consortia <sup>(A)</sup>	496,559	326,963	(169,596)
CalWORKs for Adult Education	150,835	336,425	185,590
<b>Total</b>	<b>\$659,351</b>	<b>\$925,345</b>	<b>\$265,994</b>

<sup>(A)</sup>Manager changed from Fresno Unified School District to Chawanakee Unified School District for State Center Adult Education Consortium

**Children’s Center Fund** – Budget Revision No. 3 reflects an increase in expenses of \$350,900 for California State Preschool Program (CSPP) Quality Rating Improvement System (QRIS) Block Grant.

<b>Name</b>	<b>2019/20 Current Budget Allocation</b>	<b>2019/20 Adjusted Award Amount</b>	<b>Revised Budget Allocation</b>
CSPP Quality Rating & Improvement System Block Grant	\$61,670	\$412,570	\$350,900
<b>Total</b>	<b>\$61,670</b>	<b>\$412,570</b>	<b>\$350,900</b>

**FRESNO UNIFIED SCHOOL DISTRICT  
GENERAL FUND  
BUDGET REVISION #3**

DESCRIPTION	2019/20 ADOPTED BUDGET	2019/20 CURRENT BUDGET	1/29/2020 2019/20 BUDGET REVISION #3	DIFFERENCE BETWEEN CURRENT AND BR#3	DIFFERENCE BETWEEN ADOPTED AND BR#3
Revenues					
LCFF Sources	\$ 778,979,477	\$ 780,330,472	\$ 780,330,472	\$ -	\$ 1,350,995
Federal Revenues	107,785,729	112,161,425	114,457,342	2,295,917	6,671,613
Other State Revenues	101,717,629	111,726,827	114,685,912	2,959,085	12,968,283
Other Local Revenues	15,897,035	17,182,511	18,445,011	1,262,500	2,547,976
<b>Total Revenues</b>	<b>\$ 1,004,379,870</b>	<b>\$ 1,021,401,235</b>	<b>\$ 1,027,918,737</b>	<b>\$ 6,517,502</b>	<b>\$ 23,538,867</b>
Expenditures					
Certificated Salaries	\$ 423,742,224	\$ 433,843,916	\$ 433,559,443	\$ (284,473)	\$ 9,817,219
Classified Salaries	136,593,522	139,214,722	139,228,547	13,825	2,635,025
Employee Benefits	292,459,761	294,792,433	294,734,401	(58,032)	2,274,640
Book and Supplies	70,040,458	69,427,848	68,439,231	(988,617)	(1,601,227)
Services & Operating	100,616,585	106,491,442	107,550,944	1,059,502	6,934,359
Capital Outlay	16,736,979	28,564,469	23,664,469	(4,900,000)	6,927,490
Other Outgo	3,748,803	3,748,803	3,748,803	-	-
Direct/Indirect Costs	(2,961,136)	(2,969,275)	(2,920,028)	49,247	41,108
<b>Total Expenditures</b>	<b>\$ 1,040,977,196</b>	<b>\$ 1,073,114,358</b>	<b>\$ 1,068,005,810</b>	<b>\$ (5,108,548)</b>	<b>\$ 27,028,614</b>
Other Sources/(Uses)					
Transfers In	\$ 3,385,329	\$ 11,104,705	\$ 11,104,705	\$ -	\$ 7,719,376
Transfers Out	(5,137,523)	(12,856,899)	(12,856,899)	-	(7,719,376)
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	-	-	-	-	-
<b>Total Sources/(Uses)</b>	<b>\$ (1,752,194)</b>	<b>\$ (1,752,194)</b>	<b>\$ (1,752,194)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Increase/Decrease in Fund Balance</b>	<b>\$ (38,349,520)</b>	<b>\$ (53,465,317)</b>	<b>\$ (41,839,267)</b>	<b>\$ 11,626,050</b>	<b>\$ (3,489,747)</b>
Beginning Fund Balance - Unaudited Audit Adjustment	\$ - \$ 137,470,473	\$ - \$ 156,251,109	\$ - \$ 156,251,109	\$ - \$ -	\$ - \$ 18,780,636
<b>Beginning Balance</b>	<b>\$ 137,470,473</b>	<b>\$ 156,251,109</b>	<b>\$ 156,251,109</b>	<b>\$ -</b>	<b>\$ 18,780,636</b>
<b>Ending Fund Balance</b>	<b>\$ 99,120,953</b>	<b>\$ 102,785,792</b>	<b>\$ 114,411,842</b>	<b>\$ 11,626,050</b>	<b>\$ 15,290,889</b>
<b>Components of Ending Balance</b>					
Revolving Cash	\$ 84,215	\$ 78,366	\$ 78,366	\$ -	\$ (5,849)
Stores	1,613,205	996,740	996,740	-	(616,465)
Prepaid Expense	374,792	636,102	636,102	-	261,310
Assigned: Other Assignments	14,815,737	11,200,000	16,700,000	5,500,000	1,884,263
Restricted	1	1	1	-	-
Reserve for Economic Uncertainties	82,233,003	89,874,583	96,000,633	6,126,050	13,767,630
Reserve Level %	7.86%	8.28%	8.88%		
<b>Total Ending Fund Balance</b>	<b>\$ 99,120,953</b>	<b>\$ 102,785,792</b>	<b>\$ 114,411,842</b>	<b>\$ 11,626,050</b>	<b>\$ 15,290,889</b>

Per Education Code section 42127(a)(2)(B) the minimum recommended reserve for economic uncertainties is 2% or \$21,617,254

As shown above the reserve for economic uncertainties is \$96,000,633 with an assigned ending balance of \$11,200,000 set aside for text book adoptions, \$1,400,000 for portable classrooms, \$1,000,000 for Fresno High CTE Facility, \$2,500,000 for Design Science Facility and \$600,000 for Extended Day Carryover

As outlined in Board Policy 3100, the Board recognizes the importance of maintaining reserve levels during stable and volatile economic times.

**UNRESTRICTED GENERAL FUND  
ADJUSTMENT SUMMARY**

DESCRIPTION	2019/20 ADOPTED BUDGET UNRESTRICTED	2019/20 CURRENT BUDGET UNRESTRICTED	2019/20 BUDGET REVISION #3 UNRESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#3	DIFFERENCE BETWEEN ADOPTED AND BR#3
<b>Revenues</b>					
LCFF Sources	\$ 778,979,477	\$ 780,330,472	\$ 780,330,472	\$ -	\$ 1,350,995
Federal Revenues	-	-	2,316,024	2,316,024	2,316,024
Other State Revenues	14,559,815	19,022,216	19,619,087	596,871	5,059,272
Other Local Revenues	10,603,798	10,780,048	11,880,048	1,100,000	1,276,250
<b>Total Revenues</b>	<b>\$ 804,143,090</b>	<b>\$ 810,132,736</b>	<b>\$ 814,145,631</b>	<b>\$ 4,012,895</b>	<b>\$ 10,002,541</b>
<b>Expenditures</b>					
Certificated Salaries	\$ 334,957,300	\$ 341,966,357	\$ 341,501,376	\$ (464,981)	\$ 6,544,076
Classified Salaries	87,136,029	88,321,578	88,335,403	13,825	1,199,374
Employee Benefits	188,713,166	190,462,315	190,349,258	(113,057)	1,636,092
Book and Supplies	41,353,539	40,048,991	38,276,839	(1,772,152)	(3,076,700)
Services & Operating	73,127,495	74,272,120	73,892,321	(379,799)	764,826
Capital Outlay	11,470,039	13,676,183	8,776,183	(4,900,000)	(2,693,856)
Other Outgo	1,714,803	1,714,803	1,714,803	-	-
Direct/Indirect Costs	(12,678,649)	(12,867,947)	(12,864,938)	3,009	(186,289)
<b>Total Expenditures</b>	<b>\$ 725,793,722</b>	<b>\$ 737,594,400</b>	<b>\$ 729,981,245</b>	<b>\$ (7,613,155)</b>	<b>\$ 4,187,523</b>
<b>Other Sources/(Uses)</b>					
Transfers In	\$ 28,920	\$ 28,920	\$ 28,920	\$ -	\$ -
Transfers Out	(1,781,114)	(1,781,114)	(1,781,114)	-	-
Other Sources					
Other Uses					
Restricted Contribution	\$ (108,131,397)	\$ (108,958,626)	\$ (108,958,626)	\$ -	\$ (827,229)
<b>Total Sources/(Uses)</b>	<b>\$ (109,883,591)</b>	<b>\$ (110,710,820)</b>	<b>\$ (110,710,820)</b>	<b>\$ -</b>	<b>\$ (827,229)</b>
<b>Net Increase/Decrease in Fund Balance</b>	<b>\$ (31,534,223)</b>	<b>\$ (38,172,484)</b>	<b>\$ (26,546,434)</b>	<b>\$ 11,626,050</b>	<b>\$ 4,987,789</b>
<b>Beginning Fund</b>					
Balance - Adopted	\$ 130,655,175	\$ 140,958,275	\$ 140,958,275	\$ -	\$ 10,303,100
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Beginning Balance</b>	<b>\$ 130,655,175</b>	<b>\$ 140,958,275</b>	<b>\$ 140,958,275</b>	<b>\$ -</b>	<b>\$ 10,303,100</b>
<b>Ending Fund Balance</b>	<b>\$ 99,120,952</b>	<b>\$ 102,785,791</b>	<b>\$ 114,411,841</b>	<b>\$ 11,626,050</b>	<b>\$ 15,290,889</b>

**FRESNO UNIFIED SCHOOL DISTRICT  
RESTRICTED GENERAL FUND  
ADJUSTMENT SUMMARY**

DESCRIPTION	2019/20 ADOPTED BUDGET RESTRICTED	2019/20 CURRENT BUDGET RESTRICTED	2019/20 BUDGET REVISION #3 RESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#3	DIFFERENCE BETWEEN ADOPTED AND BR#3
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenues	107,785,729	112,161,425	112,141,318	(20,107)	4,355,589
Other State Revenues	87,157,814	92,704,611	95,066,825	2,362,214	7,909,011
Other Local Revenues	5,293,237	6,402,463	6,564,963	162,500	1,271,726
Total Revenues	\$ 200,236,780	\$ 211,268,499	\$ 213,773,106	\$ 2,504,607	\$ 13,536,326
Expenditures					
Certificated Salaries	\$ 88,784,924	\$ 91,877,559	\$ 92,058,067	\$ 180,508	\$ 3,273,143
Classified Salaries	49,457,493	50,893,144	50,893,144	-	1,435,651
Employee Benefits	103,746,595	104,330,118	104,385,143	55,025	638,548
Book and Supplies	28,686,919	29,378,857	30,162,392	783,535	1,475,473
Services & Operating	27,489,090	32,219,322	33,658,623	1,439,301	6,169,533
Capital Outlay	5,266,940	14,888,286	14,888,286	-	9,621,346
Other Outgo	2,034,000	2,034,000	2,034,000	-	-
Direct/Indirect Costs	9,717,513	9,898,672	9,944,910	46,238	227,397
Total Expenditures	\$ 315,183,474	\$ 335,519,958	\$ 338,024,565	\$ 2,504,607	\$ 22,841,091
Other Sources/(Uses)					
Transfers In	3,356,409	11,075,785	11,075,785	-	7,719,376
Transfers Out	(3,356,409)	(11,075,785)	(11,075,785)	-	(7,719,376)
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	108,131,397	108,958,626	108,958,626	-	827,229
Total Sources/(Uses)	\$ 108,131,397	\$ 108,958,626	\$ 108,958,626	\$ -	\$ 827,229
Net Increase/Decrease in Fund Balance	\$ (6,815,297)	\$ (15,292,833)	\$ (15,292,833)	\$ -	\$ (8,477,536)
Beginning Fund Balance - Adopted	\$ 6,815,298	\$ 15,292,834	\$ 15,292,834	\$ -	\$ 8,477,536
Beginning Balance	\$ 6,815,298	\$ 15,292,834	\$ 15,292,834	\$ -	\$ 8,477,536
Ending Fund Balance	\$ 1	\$ 1	\$ 1	\$ -	\$ (0)

## FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 29, 2020

FUND: **Adult Education Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
<b>APPROPRIATIONS:</b>					
1000	Certificated Salaries	2,541,417	2,553,417	2,488,791	(64,626)
2000	Classified Salaries	1,536,231	1,519,181	1,519,181	0
3000	Employee Benefits	2,296,470	2,296,470	2,282,698	(13,772)
4000	Books and Supplies	320,455	544,496	763,438	218,942
5000	Services and Other Operating	761,780	1,174,053	1,294,611	120,558
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	<b>TOTAL BEFORE INDIRECT</b>	7,456,353	8,087,617	8,348,719	261,102
7300	INDIRECT COSTS	208,405	216,544	221,436	4,892
	<b>TOTAL APPROPRIATIONS</b>	7,664,758	8,304,161	8,570,155	265,994
<b>REVENUES:</b>					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	951,080	1,199,205	1,449,205	250,000
	STATE REVENUES	5,694,728	5,760,651	5,946,241	185,590
	LOCAL REVENUES	747,776	752,304	582,708	(169,596)
	OTHER SOURCES	0	0	0	0
	<b>TOTAL REVENUES</b>	7,393,584	7,712,160	7,978,154	265,994
	Beginning Fund Balance	388,224	766,944	766,944	0
	Change to Fund Balance	(271,174)	(592,001)	(592,001)	0
	Ending Fund Balance	117,050	174,943	174,943	0



# FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 29, 2020

FUND: Children Center Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
<b>APPROPRIATIONS:</b>					
1000	Certificated Salaries	5,621,543	5,621,543	5,694,413	72,870
2000	Classified Salaries	3,624,428	3,624,428	3,691,771	67,343
3000	Employee Benefits	7,196,701	7,196,701	7,207,667	10,966
4000	Books and Supplies	119,217	421,573	622,866	201,293
5000	Services and Other Operating	399,837	399,837	452,404	52,567
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	<b>TOTAL BEFORE INDIRECT</b>	16,961,726	17,264,082	17,669,121	405,039
7300	INDIRECT COSTS	727,004	738,827	684,688	(54,139)
	<b>TOTAL APPROPRIATIONS</b>	17,688,730	18,002,909	18,353,809	350,900
<b>REVENUES:</b>					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	827,363	1,075,440	1,075,440	0
	STATE REVENUES	16,838,367	16,842,799	16,842,799	0
	LOCAL REVENUES	23,000	84,670	435,570	350,900
	OTHER SOURCES	0	0	0	0
	<b>TOTAL REVENUES</b>	17,688,730	18,002,909	18,353,809	350,900
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	0	0	0	0
	Ending Fund Balance	0	0	0	0